From:	Eli Barasch <elib@gkh-law.com>
To:	Benad Goldwasser <benadgold@gmail.com> Ehud Barak <ehbarak1@gmail.com> Udi Knaani (udi@fwmk-law.co.il) <udi@fwmk-law.co.il>
CC:	Alon Maor <alon@brm.com> Evia - UK <paztu@evia-mt.co.uk> Sharon Shulman <sharon.shulman@il.ey.com> Amit Oring <amit.oring@il.ey.com> Shimrit Shabo <shimrit.shabo@il.ey.com> Dorit Segev <dorit.segev@il.ey.com>
Date:	Thu, 10/15/2015 6:05:11 PM
Subject:	RE: MOU 20151015, thank you!

Benad,

It looks ok to me but I suggest asking E&Y to have a look at the sentence they added at the end of Section 2. For everyone's ease of reference, at the end of the provision where we stated that Benad and Ehud, in their personal capacities and not the Company, would receive shares in the JVs as founders, SAIL's lawyers added the following:

> "In case that foreign citizens are not allowed to be the individual shareholders in such Portfolio JV, due to the specific regulations or laws in China, then EBG will be entitled to receive the corresponding equity interests."

I understand that there's some concern about foreign individuals holding shares in a Chinese JV and whether that company could then go public in China. This isn't an issue I've ever run across in China but my clients have always held their shares via legal entities so I don't know if this is a real concern. Unless E&Y disagrees, I'd suggest signing as is and we can look into this issue with a Chinese lawyer when we start working on the final agreements.

Best regards,

Eli

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From: Benad Goldwasser [mailto:benadgold@gmail.com]
Sent: Thursday, October 15, 2015 1:09 PM
To: Eli Barasch; Ehud Barak; Udi Knaani (udi@fwmk-law.co.il)
Cc: Alon Maor; Evia - UK
Subject: Fwd: MOU 20151015, thank you!

Dear All

Please review the last version of the MOU with the Chinese. Unless there is something MAJOR any of you oppose, I suggest we confirm it and have it signed. They are about to come here in a week and a half and I would like to put the MOU behind us and to begin discussions of the Definitive Agreement.

Best

Benad

Begin forwarded message:

From: 姜韵 <jiangyun@cn-sail.com>
Subject: MOU 20151015, thank you!
Date: October 15, 2015 12:02:49 PM GMT+02:00
To: "'Benad Goldwasser'" <benadgold@gmail.com>

Cc: "Qu Liefeng" <qlf@nac-capital.com>, "Eli Barasch" <elib@gkh-law.com>, "Alon Maor" <alon@brm.com>

Dear Prof. Goldwasser,

Attached please find the updated MOU 20151015, modified according to our Conference Call yesterday afternoon. The main points are as follows:

1. Regarding the definition of SAIL Group (In the term of "1. Business Model")
   In the MOU, we delete the No. 5 type of companies, in which SAIL/SAIL Fund does not have the majority holding. Instead, we put in "Other situation will be discussed further in the Definitive Agreement.".

2. Regarding the Tax issue (In the term of "2. Formation of Portfolio JVs")
   At the end of the paragraph, we put in "In case that foreign citizens are not allowed to be the individual shareholders in such Portfolio JV, due to the specific regulations or laws in China, then EBG will be entitled to receive the corresponding equity interest.".

3. Regarding Exclusivity related (In the term of "7.2. Exclusivity")
   We accept the addition of "in China".

4. We also made some minor detailed changes, just the same as in the version we sent you on October 11th. But I am afraid that these points are not reflected in the updated MOU you sent us on Oct., 15th..
   For example, in the Section of "3.3", we put in "SAIL Group" instead of "SAIL" in certain sentences. We believe they are the tiny points just for the more preciseness.

Looking forward to your confirmation on the text of the MOU! After that, we will initiate and try to accelerate the internal process of the MOU signature.

We much appreciate you & your team's efforts in it.

Best Regards,

Yun Jiang

: Benad Goldwasser [mailto:benadgold@gmail.com]
: 2015 10 13 0:01
:
: Eli Barasch; Alon Maor
: Re: MOU update, thank you !

Dear Dr. Jiang

Thank you for your prompt reply. I am sorry for all the problems you are encountering with the visas and I am embarrassed by the inefficiency of our Embassy. I would like to make the following comments:

1. MOU: We accepted your comments and changes. However we added minor changes which I hope you will accept:
   1) In section 1 we added to the definition of SAIL Group subsection (v) to cover situations where SAIL may not hold 50% or more of an entity, yet you may like us to screen and examine suitable investments such as may be the case with United Imaging or other companies (if I am not mistaken).

2) We transferred section 3.2 and created from it section 2. There is no change in the business aspect. The main change is to make ownership in the allocated shares in the JV (the 10%) by the founders (Barak, myself and others) and not by the company (EBG) as our tax advisors tell us that the tax consequences are very different.
3) In Section 7.2 we added the word "in China" for obvious reasons.

2. I wrote again to Mr. Barak asking for his help. Please let me know as soon as possible if the problem is resolved.

3. The names of the two hotels in Herzliya (a township just North of Tel Aviv on the beach) are: 1) Ritz Carlton Herzliya 2) Herods Herzliya. If you like any of these two please let me know as we may be able to get improved rates for you.

We are preparing some of the exciting companies with which you met last time and a number of new companies that we will be glad to introduce you to during your upcoming visit. We are looking forward to welcoming you.

Best Regards

Benad

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